

TAB B

DEVELOPING A FITNESS REPORTING SYSTEM

I. Statement of the Problem

One company with one manager who has a dozen subordinates needs no formal merit rating system to assist him in his personnel decisions. Somewhere between this situation and one where hundreds of supervisors are reporting on thousands of subordinates, the need for a formal system of merit rating becomes obvious if management is to have the information necessary for its personnel actions.

The need for a system gets general agreement. Confusion and controversy, however, surround the issues of purpose to be served, method to be used, and especially content of a report. Because of the controversial nature of reporting systems, it is often difficult to achieve sufficient stability for any kind of system to work. It is the general purpose of this paper to provide a framework for developing and maintaining a fitness reporting system (as CIA's merit rating system is called). If management sanction of this framework can be achieved, a significant step will have been taken toward achieving the stability needed to make CIA's system workable.

Reasons for the controversial nature of fitness reporting are many. Fitness reports do (or are thought to) affect the employee financially and emotionally by influencing promotions, assignments, and subsidized training. Methods of reporting an individual's performance or worth, reflecting human judgment, are far from infallible. Thus, there is always room for criticism and debate. This debate is usually couched in terms of the wide gap between practice and perfection in personnel actions rather than realistically in terms of the degree to which personnel actions are improved by a reporting system.

Raters' persistence in being generous in their evaluations, in desiring to report in meaningless stereotypes and generality, in being influenced in varying degrees by likes, dislikes, their convictions about the worth of certain traits, or behavior for certain purposes contribute to the fallibility of reporting. The real difficulties in observing job performance under conditions which make comparisons among individuals really feasible adds still another source of fallibility.

One approach to the problem of improving fitness reporting has emphasized training of supervisors; another the devising of special methods of reporting that attempt to minimize differences between raters because of likes, dislikes and other factors mentioned above. Without minimizing the need for these approaches to the problem, there is a third which has not

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been adequately explored. This is to clarify purposes for which fitness reports are used and then develop a system specifically adapted to each of these. This approach would clarify and simplify the rater's task.

It is not uncommon for users of fitness reports to list purposes of their systems in as varied manner as this: to select men for promotion or for special assignment; to aid in determining the order of lay-offs when reduction of force is necessary; to improve morale; to determine transfers; to plan careers; to help the supervisor deal more effectively with his subordinates. The questions (1) whether any two of these purposes are incompatible or (2) whether a fitness report can provide the complete answer to any have rarely been raised. For promotion to a position involving skills quite different from those used on a present job, information beyond that on job performance is clearly needed. The kind of procedure needed to evaluate for promotion would seem to be quite different from those required to engender an atmosphere between subordinate and supervisor conducive to discussion of weaknesses and how to improve them.

A system of fitness reporting aimed at helping supervisors to deal more effectively with subordinates will be termed a counseling system; whereas a system with the purpose of assisting management to reach better decisions on personnel matters will be termed a management system. This paper will analyze the requirements needed to fulfill these two purposes. This analysis will show that these purposes are not well served by a single system. The analysis will identify the first steps that should be taken to improve CIA's present system and to work toward the kind of a dual system considered essential.

II. Requirements

Once the purpose of a fitness reporting system has been defined specifically, the requirements can be considered under five headings: content, communication, records, training, and policies.

A. The Counseling System

The purpose of this kind of system is to assist supervisors to deal more effectively with subordinates. This system is concerned with getting the supervisor to do something in relation to his subordinate--think more clearly, analyze better, or manage better.

1. Content Under a Counseling System

Since the purpose of the counseling system is to stimulate the supervisor to initiate and carry out a procedure, the content is the procedure rather than any standard check list of any kind. Is there a procedure which will promote the kind of thinking and action

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necessary? There is one that has promise--having the supervisor define for each subordinate what job performance is expected from him.

This step is more useful and more difficult than it first appears. It is no matter for casual thought; nor can a list of job elements be discovered that will automatically apply to all jobs with the same title or even to successive incumbents of the same job.

By far the majority of supervisors who attempt the task of defining what they expect from a subordinate will first discover that it is the rule rather than the exception for job requirements to vary among persons supposedly doing the same job. Two stenographers are working for the same supervisor. One has the special duty of managing a complex filing system, the other of serving as office receptionist. Moreover, it is performance of the special duties that is frequently more influential in determining how the supervisor values, i.e., rates, them than is the common duty of taking dictation. Secondly, supervisors will find they expect different things from subordinates in terms of such factors as length of service, period in a career, and age. Thirdly, it is extremely probable the supervisor will find what he expects from a given subordinate is highly specific. It is not dependability or industry that the supervisor really expects. It is rather the operation of a specific machine, the production of a specific kind of report, the management of a specific file.

The range of specific job elements revealed by such an analysis makes it plain that a standard set of terms cannot be provided to cover all jobs or even a number of subordinates with supposedly similar jobs.

There is just one person who can provide a realistic set of job elements appropriate for a specific individual on a specific job at a specific time under a specific supervisor. This person is the supervisor. The kind of thinking it takes the supervisor in preparing this set of job requirements will go a long way toward advancing the purpose of the counseling system of fitness reporting.

This analysis leads to four conclusions with respect to the content which is the concern of a counseling system. First, the system is largely a procedure; second, what content there is, is concerned strictly with job performance or characteristics or circumstances very directly related thereto; third, there will be no

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standard check list of job elements or traits in any report used in this system; fourth, the report form merely reflects the procedure to be followed.

2. Communicating Under a Counseling System

The essential communication is downward—from the supervisor to the subordinate. How else is the subordinate to know wherein he should improve? The most, if not only, effective medium for communication of this kind is the interview. In an on-going system one interview at the time of completing the Fitness Report is probably sufficient. During this interview, not only can past performance be discussed, but job elements can be re-defined in terms of the next rating period and specific goals agreed to by the two parties. Thus, the counseling system can provide changed goals in terms of the job requirements as well as in terms of the career plans of the individual. For a new subordinate, an initial interview is required to let him know what is expected of him between the initial interview and the time his Fitness Report is due.

Other interviews may occasionally be required between Fitness Reports. One such occasion is when job performance is so poor that termination is a likely possibility. Here a warning interview is clearly needed.

The need for communication downward leads to the conclusion that the entire report should be shown to the subordinate—complete with job elements and supervisor's comments, the latter having served as preparation for the interview.

Is there any need under the counseling system for communication upward? There appears none, so far as achieving the counseling purpose is concerned. A management purpose may be achieved by a limited movement upward of the records produced under this system. A supervisor's chief will gain considerable insight into methods the supervisor uses in managing his people and into the understanding he displays of jobs under his control.

Combining this much of a management objective with the counseling system may not introduce incompatible elements. Sending records too far up the echelons has definite dangers. The reports will be in such specific terms involving specific subordinates and specific supervisors that misinterpretation can easily be made by individuals too far removed from the immediate situation. Moreover, the fact that a permanent record is made will tend to reduce willingness on the part of both supervisor and subordinate to be completely frank

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with one another. Because of the importance of improving supervision, some risk in limited communication upward is probably justified.

3. Records Required

One might think there would be no reporting form required by a counseling system. The supervisor knows what he is writing on the form. Why, therefore, have a reporting form? From the counseling point of view the form serves three purposes. It provides a check list of steps in the procedure and a record of whether these steps were followed. It provides for future reference a record of job elements agreed to by a supervisor and a specified subordinate. It provides a space for the supervisor's analysis which serves as a basis for the interview.

This record is purely qualitative. There can be no score derived from the information on this kind of form. With different and highly specific job elements, there will be no possibility of comparing reports of different individuals. No effort, therefore, should be made to score or to combine the reports.

4. Training Under the Counseling System

To overcome two fears on the part of supervisors will require a real training effort. The first is his notion that the job elements are difficult for him to define. A demonstration worked out before a group usually allays this fear. The second fear, whether or not consciously expressed, concerns the interview. Many supervisors will doubt their ability to handle the situation properly. The more training that can be given in this respect the better, but it is surprising how little will suffice. The procedure as outlined serves as a real preparation for the interview. The supervisor knows what points he wants to make. He has thought them through in terms of the job elements and (prior to the interview) has expressed his points in writing on the report form itself. This interview is the crucial step in the system. Supervisors generally will undoubtedly handle it better if there is no evaluation attempted in relation to the system. Any evaluation effort changes the attitude of both the supervisor and the subordinate and makes the interview more difficult. The atmosphere of the interview tends to become one of attack and defense rather than one of mutual respect and confidence. These considerations represent a powerful argument for keeping the counseling aspect separate from the evaluation aspect of a fitness reporting system.

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5. Policies Under the Counseling System

Policies under this system should be aimed at creating conditions of mutual trust between the supervisor and his subordinates. It should be clear to all that the effort is directed at helping the subordinate to do a better job. It should be spelled out where the record is to be kept, what it is to be used for, and why it cannot be used for evaluative purposes.

B. The Management System

The purpose of a management system is to provide the information needed for improving personnel actions. How this is done will influence morale, but the purpose of the system is not to directly affect morale but to provide information. The system does not aim at improving the supervisor's relationship with his subordinate. To repeat, its purpose is to assist higher echelons in making better personnel decisions.

1. Content Under a Management System

For a merit rating system to contribute effectively to actions requires that it provide more information relevant to decisions management must make. The content of this system is information about employees, not a procedure to help supervisors think. Not only is it information, but it is information expressed in a manner which makes comparisons possible among individuals. Management is interested in general job competence and not in the details of supervision. Management is also interested in potential—how far the individual can progress in the chain of command. Just what information management will find useful will depend on the kind of decisions it wants to make at echelons higher than the immediate supervisor. Some of the following will no doubt be included in any management system: promotion, selection for career development, termination, transfer or rotation, selection for certain types of expensive training.

A management system report must, therefore, contain supervisors' value judgments on the degree of job competence, potential, and other matters related to the decisions management wants to make. Standard check lists and ratings are required; for in order to compare individuals, the same kind of information must be obtained about everyone.

How can the content of the rating form be determined? The most direct way is to ask management people what it uses fitness reports for and the decisions to which it would like them to contribute. A

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study to obtain this information is needed as one of the initial steps in developing this kind of system.

2. Communication Under the Management System

The essential communication is upward--from the supervisor to higher management echelons. The medium of communication must be a written report since decisions are not necessarily taken at the time the report is completed. Furthermore, all decisions do not involve the same people, making it impractical to communicate upward by any oral technique.

Communicating value judgments upward requires no interview with the subordinate. Nor does it require showing the report or discussing it with him. In fact, doing either of these things will tend to reduce the value of the report to management. Reports that are shown or discussed tend to be more lenient, less objective appraisals. In many instances, showing or discussing a value judgment with a subordinate reduces his job efficiency and morale. What point is there in periodically telling a person of long and loyal service that he is just a run-of-the-mill employee, that he has no potential for further advancement. Contrast this with the counseling system--where strengths and weaknesses can be discussed between supervisor and subordinate in an atmosphere free from the necessity of bringing up points the individual can do nothing about.

Less frequently mentioned is the point that it may be equally bad to inform some people that they are considered of special promise. Loss of motivation and decrease in performance can result.

The attitude the supervisor needs in completing a management report is a cool objectivity in his appraisal of job performance and capabilities of his subordinates, not one of helping or promoting his career in any way. It is management's task to do this when it gets all the information available.

3. Records Under a Management System

This system demands a record. It further demands that records be kept in such a way that successive reports on the same individual can be combined. Two things are necessary to achieve this. The reports must be scored, i.e., they must lend themselves to quantitative treatment. They must be scored in a manner that permits successive reports to be compared, even though changes are made in the report content. Most importantly, they must be scored in order that successive reports can be averaged. Despite hard effort, no system of reporting has been devised to reduce the

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fallibility of human judgment of one another which even approaches the simple device of averaging judgments of several observers. The averaging of successive reports made by different supervisors represents the most important technique for improving a management type system. It will result in actions that are more effective and more just to the individual. Reports for a management system should be regarded as quantitative documents.

4. Training Under a Management System

Training efforts need to be directed at creating in the supervisor a willingness to make an objective and impersonal appraisal of his subordinates. While those rated will know the system exists and must have confidence in the way management uses it, training effort need not be directed at them. In fact, other than creating the right attitude toward reporting, probably the less said about a management system the better it is.

The major focus of training in a management system is management itself. The training should be directed to clarification of limitations and advantages of the report for different and specified purposes. As a basis for their training, studies of reliability and validity of the report for various purposes are necessary. The relationship of information furnished by fitness reports to other personnel techniques and information such as tests, experience, and education needs to be discovered and conveyed to management. In fact, the background and context permitting sound use of the system must be developed and furnished.

5. Policies Under the Management System

The main purpose of policies under a management system is to develop confidence that personnel actions are taken after consideration of all the facts and not on the basis of a single report. Everyone realizes that personnel actions are inevitable. If they feel that they are taken after careful consideration of all the facts and with due consideration of the limitations of any single source, e.g., fitness reports, willingness on the part of supervisors to report may be increased.

III. Recapitulation

This analysis strongly points to the need for having more than one fitness reporting system to accomplish many purposes such reports are used for. A distinction should certainly be made between systems for counseling as opposed to management purposes.

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These two systems contain incompatible elements. Under a management system, the purpose is to promote effective personnel action; the supervisor must regard his subordinate objectively and report in general and standard terms; the report must lend itself to quantitative treatment and studies of reliability and validity for specific purposes; no interview between supervisor and subordinate is required, nor should the report be shown to the subordinate. In fact, doing either of these things will tend to defeat the purpose of the system.

In contrast, a counseling system has the purpose of getting a supervisor to do something which will improve his effectiveness in dealing with a subordinate. The supervisor regards the subordinate in terms of his own particular strengths and weaknesses with no reference to anyone else. The supervisor is not reporting in general competitive or comparative terms, but in terms that are highly specific to the subordinate's situation, i.e., he may discuss and report weaknesses of very strong employees and vice versa with no implication concerning the degree of value he places upon either as an employee. The report under such a system is qualitative—it cannot be scored; nor does it lend itself to the usual kind of studies of reliability and validity. An interview is mandatory; it is the crux of the system. The report in its entirety must be shown to the subordinate. Both systems of reporting need acceptance on the part of employees generally to be truly effective. Both systems need stability in policy to operate well. To promote stability and implement systems of reporting adapted to differing purposes, it is necessary that there be acceptance of the philosophy expressed herein. It is also essential to conduct a series of studies to further clarify purposes and develop more effective procedures for each.

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